

Call for National Council on Municipal Infrastructure

Urban and regional centres are playing an increasingly important role as engines for economic growth. In recent years, Canada has become known as a world-class destination for opportunity, attracting new citizens looking to enjoy the quality of life we value and enjoy. Unfortunately they do not bring their roads, bridges, schools or hospitals with them. This influx has brought a new vibrancy to Canadian provinces, but with it, significant challenges for our municipal infrastructure, pressures that must be addressed if we are to continue along a path of economic prosperity. Many local and provincial Chambers of Commerce have called for the formation of a National Council on Municipal Infrastructure to provide a comprehensive framework for municipal infrastructure finance and investment.

The infrastructure requirements of Canada's urban and regional centers are growing, both in terms of new construction and maintenance of existing assets. The current methods of financing, delivering and maintaining infrastructure is not keeping pace, as witnessed by a growing infrastructure debt. For this reason, governments must take a hard look at new service delivery mechanisms, public/private partnerships, funding arrangements, user fees, and new taxing powers for municipalities that can provide them with the required resources to fund municipal needs, including infrastructure investments.

With the future being dominated by the robust growth in the Asia Pacific region, Canada has the potential to be at the forefront of the Pacific century. While this provides new opportunities for attracting talent and investment to the country, participation in this marketplace will demand a new look at the level of, and commitment to infrastructure investment in Canada. Competition amongst jurisdictions is growing and businesses and individuals are highly mobile, able to relocate to the most favorable environment. Jurisdictions that provide new and innovative solutions for infrastructure investment will experience gains in productivity and increases in their quality of life, while those that do not will find themselves increasingly sidelined and unable to compete.

Starting in 2009, new accounting standards set by the Public Service Accounting Board, a national standards governing body, have required municipalities to inventory and better quantify their capital assets and asset management plans, reporting them in their annual financial statements. These guidelines will help provide increased accountability and will be powerful tools to inform the discussion on municipal infrastructure investment.

There are examples at all levels of government that provide strong platforms for governments to solicit feedback from concerned stakeholders and provide advice and recommendations to government on how to best address the opportunities and challenges facing our country.

Recommendations

That the federal government work with the provinces and territories to:

1. Establish a National Council on Municipal Infrastructure (NCMI) to advise on:
 - The accumulated infrastructure debt and projected deficits
 - The net revenue required to make up the existing infrastructure shortfall and address future infrastructure needs
 - The establishment of benchmarks for infrastructure debt reduction and enhanced accountability
2. Collaborate with the proposed NCMI to undertake a comprehensive environmental scan to review best practices in municipal infrastructure finance, including appropriate funding vehicles and enabling legislation.

Submitted by the Greater Victoria Chamber of Commerce

The Transportation Committee defers to the Economic Policy Committee.

The Economic Policy Committee does not support this resolution. The Committee believes this is more of provincial jurisdiction rather than federal. The Council of the provinces should address this so that the same rules apply across the country and to coincide with the fact the provinces have oversight on municipalities.